

Delaware Energy Efficiency Advisory Council Meeting

Public Service Commission, Dover

May 8, 2019 – 1pm to 3pm

Meeting Minutes

EEAC Council Members in Attendance

Robert Underwood – Present
Glenn Moore – Present
Mark Nielson – Present (phone)
Emily Greene – Present
MQ Riding – Present
Harris McDowell – Absent
Carl Johnson – Absent
Sanjay Kapuria – Absent
Cassandra Marshall – Present
Alan Rogers – Absent
Joe Schorah – Absent – Tony DePrima proxy
Charles Kistler – Present
Kelly McKeown – Present
Ann Mattingly - Absent

Attendees

Angela Bivens, Franklin Energy
Harold Stafford, HELP Initiative
Wayne Hudders, DPL
Mark Dworkin, DNREC
Ed Schmidt, MCR
DJ Sneeringer, DPL
Andrea Maucher, DPA
Drew Slater, DPA

Consultants in Attendance

Eric Belliveau, Optimal Energy (phone)
Mark Kravatz, Optimal Energy
Gretchen Calcagni, Optimal Energy

Welcome and Introductions

Rob Underwood called the meeting to order and presented the agenda.

Council Business, Planning, and General Discussion

- **Meeting Minutes** – The meeting minutes from January 2019 and March 2019 were unanimously approved as written.
- **Annual Report Update** – Rob Underwood expressed thanks to all Councilors for their comments on the draft annual report. Emily Greene questioned the inclusion of Program Administrator information in the annual report if they have not presented to the EEAC and asked for the ability to add additional items to the report for DEMEC. Rob Underwood afforded her this opportunity by way of working with Gretchen Calcagni from Optimal Energy.

EM&V Committee Update

Gretchen Calcagni from Optimal Energy informed the Council that the EM&V Committee meeting included: 1) a discussion of the reporting requirements for the snapshot and reconciliation reports; 2) a discussion on data management practices; and 3) updated the group that the Mid-Atlantic TRM would be completed soon.

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Low-Income Committee Update

Glenn Moore reported on the work of the Low-Income (LI) Request For Proposals review team to-date and explained that the team was not yet finished with their work. As such, there would not be a vote at this meeting on choosing a LI Fund Manager as the recommendation was not finalized. The goal of the committee is to finish by the end of May and a special meeting of the EEAC may be requested before the next regularly scheduled meeting set in July.

Delmarva Presentation – Energy Efficiency 2019 Update

Wayne Hudders presented a refresh/update to DPL's ongoing PSC docket regarding their proposed Energy Efficiency program portfolio to reflect market changes and Federal lighting regulations. Hudders noted that there was a lack of clarity on 2020 lighting standards and the outcome is unclear. One model showed the effects of a full ban in 2020 on halogens and another showed a sell-through comparable to previous standard change (where retailers stockpiled several years' worth of legacy bulbs). Avoided cost assumptions unchanged.

Hudders also explained a review of the Consumer Products portion of their portfolio noting that the incremental cost of LEDs has dropped by nearly half and that updated experience from Delmarva Power MD resulted in higher number of measures and a greater proportion of specialty bulbs.

Lastly, Hudders commented on the DPL Behavioral Program and explained that there has been a substantial drop in cost due to economies of scale as part of Exelon merger. Based on experience in MD & NJ, as well as national trends, they have moved to a one year measure life.

Eric Belliveau (phone) from Optimal Energy stated that they reviewed the updated numbers and that their recommendation of support of the portfolio remains unchanged.

Rob Underwood asks for a motion to approve the DPL update. It was motioned by MQ Riding and seconded by Tony DePrima. The motion was approved unanimously.

Optimal Presentation – Market Technologies

Gretchen Calcagni gave a presentation on Demand Reduction including a discussion on peak demand; the importance of peak demand reduction; and strategies for reducing peak demand.

Mark Kravatz gave a presentation including a discussion on how air source heat pumps work; example applications; and why heat pumps use make sense.

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Public Comment

Drew Slater gave public comment as follows copied from his submitted written remarks:

Let me start by saying given DNREC's new found love of public comment being included in its entirety in all instances given the public impact of the issues addressed, I'm looking forward to "robust inclusion of public comments." Ed, it seems like that's on you today.

Let me start by saying how many members of the EEAC have read the direct and rebuttal testimony of the PSC Staff and the DPA or the supplemental testimony of Mr. Hudders? I see no hands are raised. Have any of the concerns raised by Staff of the DPA been brought up for discussion at any EEAC meeting? If Delmarva hasn't raised them, has DNREC or its consultant, Optimal, raised them? They are also witnesses in this case before the PSC and have read the testimonies and responded to data requests from Staff and DPA. This is where the issue lies. The EEAC has not considered the positions of Staff and the DPA. Instead, you are considering only Delmarva's position and their answer is to get you to approve their programs because they know you haven't read anything else. That's the issue here and that's why, when you say things in the meetings, I expect them to be reflected in the minutes. Because right now, they are not.

Your consultant, Optimal, presented you with slides at your January meeting, "A Look Ahead" showing the beginning review of the next three year target setting, planning, and snapshots. Now that wasn't reflected in the minutes, there is only a cursory notation of Optimal reviewing EEAC goals for the coming year, you have to go to the presentation to find this data. EEAC, what has made you, and Optimal, change your minds from that previous meeting? There is nothing written anywhere to suggest you ever did change your mind. Why is Delmarva suddenly interested in bringing this to you now? Is it to run back to the Hearing Examiner to say 'hey look, the EEAC approved these programs'? I understand that the EEAC can make these decisions, but the decisions you all make are supposed to be in collaboration with Staff and the DPA. You can't make a decision without all the information you need.

EEAC, did you ever ask Optimal, your consultant, what analysis they have done on Delmarva's updated programs? Did they do an analysis? Did you receive some documentation that wasn't available to the general public? Where is it written anywhere? Where is the data? It doesn't exist yet you approved programs for the utility because they told you too without doing any analysis of the data being presented.

The statute also states that you must collaborate with the PSC Staff and DPA. Now that we have been relegated to public comment, can you tell me when you plan to comply with that statute?

Your annual report states that DNREC has only spent \$900,000 on EEIF, why haven't you spent the additional \$7.1 million through the Exelon merger?

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What's the status of the low-income solar program that was to begin April 1st? I went back to the minutes to see what was said, since it was discussed and presented upon by your consultant, Optimal, on your behalf but there was no mention of it in the minutes.

I also note they don't mention the change in the behavioral program, moving the "useful life" of the measure to one year, yet keeping a 5 year amortization. Did you ever ask this question?

Did Optimal/DNREC review Delmarva's updated TRCs as presented in Wayne Hudder's Supplemental testimony? Since the EEAC is voting on the updated program, it only seems appropriate for certain elements of the programs to be discussed. Delmarva stated previously that the Appliance Rebate Program is not cost effective in Maryland and that they would not recommend it in Delaware. Why would the EEAC recommend that program after the statement? Since the EEAC is voting to recommend the Lighting Program, Appliance Recycling Program they should base that recommendation on TRCs for each program.

We are a resource to be collaborated with not ostracized and diminished because we have an important statutory role to play in future proceedings. I think it's better to work with us, I think that's the definition of collaboration, and try to resolve our differences than it is for us to argue our differences before the Public Service Commission.

****End of Comments from Mr. Slater****

Andrea Maucher gave brief public comment remarking that DPL is a regulated public utility and of the importance of our looking at the Total Resource Costs (TRC) of each of DPL's proposed programs in their portfolio individually.

Pam Knotts gave brief public comment offering anyone who has questions about PSC Docket 17-0985 to feel free to call her. She also stated it was important for us to review the statutory language of the EEAC.

Next Steps / Adjournment

The next meeting will be held on July 10th at the Public Service Commission in Dover. To participate by phone, please call 1-877-366-0711 and enter participant code 96520857.

Copies of the meeting materials have been posted on the DNREC website:

<http://www.dnrec.delaware.gov/energy/information/otherinfo/Pages/EEAC/Council.aspx>